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House of Representatives

FAIR TAXES FOR SENIORS!

HON. BOB FILNER
OF CALIFORNIA
IN THE HOUSE OF
REPRESENTATIVES

Mr. FILNER. Madam Speaker, I would like to call to your attention H.R. 4254, the Fair Taxes for Seniors Act, a bill I have just introduced that would provide financial relief to our Nation's senior citizens.

The Fair Taxes for Seniors Act would provide a one-time increase in the capital gains tax exemption on the sale of a home for citizens who are 50 or older. While home prices have decreased from their all-time high, the tax burden is still there for senior citizens who have lived in their home for many years. Passing this bill would give many seniors the additional money they need for nursing home care, medical costs, and other retirement expenses.

The current capital gains tax exemption works well for younger people who often move from job to job, selling their homes. The current exemption works well for people who live in areas where housing prices are below average. But it is not working for individuals who have lived in one home for 20 to 50 years and have a capital gain that is much larger than the present exemption. In other words, it is not working for seniors who live in areas with higher housing prices who end up paying thousands in capital gains taxes.

My bill would provide a one-time increase to $500,000 for a single person and $1 million for a couple in the amount that can be excluded from the sale of a principal residence for taxpayers who have reached the age of 50. Let us help our citizens over age 50 who have lived in one home for many years and who need the proceeds from the sale of their home for retirement and health care costs. An added benefit is that family members and perhaps the government will be relieved of the burden of caring for these individuals as they grow older.

I urge my colleagues to support this bill.